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State/Territory Name: MN

State Plan Amendment (SPA) #: 14-0016

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Additional Companion letter
- 3) CMS 179 Form/Summary Form (with 179-like data)
- 4) Approved SPA Pages

December 5, 2014

Marie Zimmerman
State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Ms. Zimmerman:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #14-0016 - Children's Mental Health
--Effective Date: July 1, 2014

If you have any additional questions, please have a member of your staff contact Courtenay Savage at (312) 353-3721 or via e-mail at Courtenay.Savage@cms.hhs.gov.

Sincerely,

/s/

Alan Freund
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: Sean Barrett, MDHS

Enclosure

December 5, 2014

Marie Zimmerman
State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

Dear Ms. Zimmerman:

This letter is being sent as a companion to our approval of state plan amendment (SPA) 14-0016 submitted September 30, 2014. This SPA proposes to make technical changes to the Children's Therapeutic Services and Supports (CTSS) day treatment package effective July 1, 2014. We are recommending a SPA submission to resolve our corresponding reimbursement page issues related to a bundled payment for CTSS Behavioral Health Day Treatment services found on Attachment 4.19-B page 8. We first identified the bundled payment issue in the companion letter for SPA 13-014 issued on October 20, 2014.

Specifically, a bundled payment exists when a state makes a single payment for one or more of a group of different practitioners or services furnished to an individual during a fixed period of time. The payment is the same regardless of the number of units of service, types of service or level of practitioners providing the service or the specific costs, or otherwise available rates, of those services.

The payment methodology on Page 8 of Attachment 4.19-B describes one rate for day treatment per one hour unit and one rate for interactive day treatment per one hour unit. The payment is comprised of several services bundled under one payment for interactive services and one payment for non-interactive services. In approving a bundled rate, we require the state to describe the development of the rates in the State plan. Additionally, we must determine that all of the services to be reimbursed through the rate are coverable 1905(a) services, and we must determine that providers of the bundled services meet Federal provider qualification requirements.

1. Please describe how you derived this rate, what cost components were identified for the rate amount, how you will review the rate and your process and schedule for revising the rates.
2. The state must provide a detailed description of the payment methodology in the state plan. If the state proposes to pay private providers and governmental providers according to different methodologies, the state must fully describe the method of payment for each class of providers.
3. Please clarify if the deletion of "other intensive therapeutic services" results in a different set of services bundled under the two rates.

The state has 90 days from the date of this letter, to address the issues described above. Within that period the state may submit SPAs to address the inconsistencies or submit a corrective action plan describing in detail how the state will resolve the issues identified above in a timely manner. Failure to respond may result in the initiation of a formal compliance process. During the 90 days, CMS will provide any required technical assistance.

If you have any questions concerning this SPA, please contact Courtenay Savage at (312) 353-3721 or via email at Courtenay.Savage@cms.hhs.gov.

Sincerely,

/s/

Alan Freund
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: Sean Barrett, MDHS

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
14-16

2. STATE
Minnesota

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2014

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR § 440.130

7. FEDERAL BUDGET IMPACT (in thousands):
a. FFY '15: \$0
b. FFY '16: \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 3.1-A, page 17f.
Attachment 3.1-B, page 16f.

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):
Same

10. SUBJECT OF AMENDMENT:
Children's Mental Health

11. GOVERNOR'S REVIEW (*Check One*):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Ann Berg

14. TITLE:

Acting Medicaid Director

15. DATE SUBMITTED:

September 30, 2014

16. RETURN TO:

Sean Barrett
Minnesota Department of Human Services
Federal Relations Unit
P.O. Box 64983
St. Paul, MN 55164-0983

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

September 30, 2014

18. DATE APPROVED:

December 5, 2015

PLAN APPROVED -- ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2014

20. SIGNATURE OF REGIONAL OFFICIAL:

/s/

21. TYPED NAME:

Alan Freund

22. TITLE:

Acting Associate Regional Administrator

23. REMARKS:

STATE: MINNESOTA
Effective: July 1, 2014
TN: 14-16

ATTACHMENT 3.1-A
Page 17f

Approved: 12/5/14

Supersedes: 13-14 (09-22, 06-12, 04-10, 02-22)

4.b. Early and periodic screening, diagnosis, and treatment services: (continued)

E. direction of a mental health behavioral aide by a mental health professional who assumes full professional responsibility, or direction of a mental health behavioral aide by a mental health practitioner working under the clinical supervision of a mental health professional who assumes full professional responsibility. Direction is based on the child's individualized treatment plan and means:

- 1) on-site observation by a mental health professional during the first 12 hours of service;
- 2) ongoing, on-site observation by a mental health professional or mental health practitioner for at least one hour during every 40 hours of service; and
- 3) immediate accessibility of the mental health professional or mental health practitioner to the mental health behavioral aide when the services are provided.

F. mental health service plan development includes the development, review, and revision of a child's individual treatment plan; and the administration and reporting of standardized outcome measurement instruments.

Components A-F, above, may be combined to constitute a mental health day treatment program, provided by a multidisciplinary staff under the clinical supervision of a mental health professional, ~~consisting of group psychotherapy for three or more than three recipients and individual or group skills training other intensive therapeutic services.~~ It is provided by an outpatient hospital accredited by the Joint Commission on the Accreditation of Healthcare Organizations, a community mental health center, or a county contracted day treatment provider. Day treatment is provided at least one day a week for a minimum two-hour time block (of which one hour, is individual or group psychotherapy). A child may receive less than two hours per day of day treatment if the child is transitioning in or out of day treatment.

STATE: MINNESOTA
Effective: July 1, 2014
TN: 14-16

ATTACHMENT 3.1-B
Page 16f

Approved: 12/5/14

Supersedes: 13-14 (09-22, 06-12, 04-10, 02-22)

4.b. Early and periodic screening, diagnosis, and treatment services: (continued)

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